

Addendum I
Office of Community Development
Written Inquiries & Responses for
Piggyback/ARP Functional Support Services
RFP #107140-062

This addendum is hereby officially made a part of the referenced RFP.

1. Who is the incumbent provider of services as listed in the RFP?

Answer: The current incumbent contractor providing these services is The Compass Group Affordable Housing, L.L.C.

2. Please provide the total amount spent during the last contract period, or alternatively, the number of hours billed.

Answer: The current three (3) year contract for these services has a maximum amount of \$1,814,140.

3. Is the selected contractor required to work out of the Office of Community Development's local office?

Answer: The selected Contractor(s) will not be required or allowed to work out of the Office of Community Development's office. The selected Contractor(s) must be able to satisfy all the requirements of the RFP.

4. Butler Snow LLP is a national law firm that retains asset managers who can provide the full range of services and scope of work referenced in OCD's Request for Proposals for Piggyback/ARP/Restore Louisiana Functional Support (RFP). If Butler Snow LLP submits a proposal and is selected to provide functional support to the Programs administered by OCD, may Butler Snow LLP attorneys be permitted to serve as counsel to one or more eligible applicants receiving an award and funding from one or more of the Programs if such attorneys are **not** providing functional support to the Programs administered by OCD?

Answer: No. Without regard to whether any selected contractor is a law firm, it may not also provide any services to any person having a financial interest in the Program transaction, directly or indirectly, in connection with the Program transaction. This restriction is applicable regardless of which employee of any selected contractor is providing services to OCD or to the other party.

5. At a summary level, the RFP identifies six (6) tasks. The following questions are submitted with respect to each task:
- a. Task (1) Implementation/Transition of Services: Will OCD provide the existing electronic application models, electronic processing models, and electronic tickler systems to the selected Contractor or will the selected Contractor be required to develop the same? Will there be any underwriting of projects by the selected Contractor during the transition period? If so, what is the estimated number of applications expected to

undergo underwriting during the transition period by the existing Contractor versus the selected Contractor?

Answer: The selected Contractor(s) must have their own system(s) in place when their contract(s) begin.

Any underwriting of projects by the existing Contractor will be determined during the remainder of the existing contract period, based on timing of the receipt of pending applications.

The number of applications to be received and require underwriting by the existing Contractor before the new contract for these services begins is unknown. There will be no overlap of dates between the existing contract and the new contract(s).

- b. Task (2) General Services: Is the existing Contractor conducting financial analysis of annual audited financial statements or is OCD? How many loans are currently subject to asset management by the Contractor versus OCD?

Answer: The existing Contractor and OCD jointly manage the financial analysis of annual audited financial statements.

Neither the Contractor nor OCD exclusively manages any of the loans.

- c. Task (3) Funding Application Review: See Task (1) Questions. Will OCD prepare and/or control the adjustments and/or revisions to existing electronic materials or will the contractor be required to do so in future program/funding rounds?

Answer: The question of who will control adjustments to existing or new electronic data will be determined on a case by case basis.

- d. Task (4) Pre-Closing Financial and Compliance Review: Does OCD require an electronic Closing Model of Sources and Uses, Construction Disbursement Schedule by funding sources, and Project Pro forma as well as a PDF of all Closing Documents for each project awarded CDBG Funds? Is the electronic Closing Model adjusted during the construction phase to account for all change orders to confirm loan balance? Will the selected Contractor be tasked with approving all requisitions of CDBG Funds?

Answer: Yes, OCD will require an electronic Closing Model of Sources and Uses, a Construction Disbursement Schedule by funding source, and a Project Pro forma as well as a PDF of all Closing Documents for each project awarded CDBG Funds.

The selected Contractor(s) will assist with and OCD will approve any adjustments to the Electronic Closing Model during the construction phase to account for change orders related to loan balances.

The selected Contractor(s) will not be tasked with approving any requisitions of CDBG funds.

- e. Task (5) Post-Completions Financial Review: Does OCD require consistency between all placed-in-service/completion audits of Projects and the electronic Closing Model as adjusted during the construction phase? Does OCD control any operating and/or replacement reserves post-completion and require approval of any withdrawals therefrom? Will OCD's selected Contractor be tasked with approving such withdrawals?

Answer: OCD will require consistency between all placed-in-service/completion audits of Projects and the Electronic Closing Model as adjusted during the construction phase.

OCD will control and the selected Contractor(s) will assist with any operating and/or replacement reserves post-completion and situations which require approval of any withdrawals therefrom.

No, the selected Contractor(s) will not be tasked with approving such withdrawals.

- f. Task (6) Asset Management Support: What are the range of Projects currently subject to annual asset management by size and by loan value or balance? Is OCD open to pricing asset management support on a fixed dollar amount per asset rather than on an hourly basis?

Answer: The Projects currently subject to annual asset management range in size of loan value from \$500,000 to \$27,000,000.

Payment terms are set forth in Section 1.9.7.1 of the RFP and specify that hourly rates will be paid for services rendered. This will not be changed.

6. On Task (6): Asset Management Support, the last two bullets refer to identification and evaluation of potential compliance issues and consultation with OCD on those noncompliant files. What type of compliance issues are these tasks referring to?

Answer: The compliance issues referred to are violations of the loan terms, violations of regulatory agreements and items that violate CDBG provisions.

7. As part of this scope of work, will the selected Contractor be monitoring the projects for regulatory requirements related to tenant eligibility?

Answer: Yes, the selected Contractor(s) will be monitoring the projects for regulatory requirements related to tenant eligibility.

8. As a part of this scope of work, will the selected Contractor perform ongoing compliance monitoring of the properties such as reviews of tenant files, site visits or physical inspections of collateral?

Answer: The selected Contractor(s) will not perform ongoing compliance monitoring of the properties such as reviews of tenant files, site visits or physical inspections of collateral.